Alberta Capital Region
GOVERNANCE REVIEW

FINAL REPORT

December 2000

Performance Review

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An Agenda For Action

Alberta Capital Region Governance Review
FINAL REPORT
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To The Honourable Walter Paszkowski
Minister of Municipal Affairs
Government of Alberta

From Lou Hyndman
Chair
Alberta Capital Region Governance Review

Letter of Transmittal

The Honourable Walter Paszkowski
Minister of Municipal Affairs
Government of Alberta

Dear Minister Paszkowski;

I am pleased to submit *An Agenda for Action: Final Report and Recommendations of the Alberta Capital Region Governance Review.*

This report is the culmination of extensive study, discussion and debate about a range of new ideas and approaches for strengthening the Capital region. We have learned a great deal … about our vision and aspirations for the future, trends in other places around the world, and the opportunities we have for building a strong and dynamic future for the region. I am confident that the information, studies and alternatives we developed through this Review will provide a wealth of ideas not only for this region but for other parts of the Province as well.

As a result of this Review, municipal leaders are now positioned to carry on the work we started, build a stronger partnership, and work together where there are real gains to be achieved.

I would like to express my thanks to you for your support throughout this Review. And I would like to thank all those who participated in the Review, especially the elected leaders and administrators in the 21 municipalities in the region. I strongly encourage municipal leaders and the Province to maintain the momentum we have achieved and to move forward with the recommendations outlined in this *Agenda for Action.*

The Alberta Capital region has a unique opportunity to set a new course for the future. It will take the combined commitment and determination of all communities in this region to search for new and creative ways of working together and I am confident that will happen.

Sincerely,

Lou Hyndman

Lou Hyndman
Chair
Alberta Capital Region Governance Review

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Executive Summary

Through the Alberta Capital Region Governance Review, municipal, community and business leaders participated in a dynamic and important process. At the heart of those discussions was the kind of future we want to build for this region. Not surprisingly, the process had its ups and downs. We had a broad agenda to cover and complex issues to address. Opinions were wide-ranging and diverse. In spite of that diversity, there was considerable agreement in a number of important areas and a willingness to explore new options and ideas. This pioneering approach resulted from the vision and leadership of Honourable Iris Evans, the Minister who established the Review in December 1998.

"Strengthening the region is not a choice - it's a necessity. And the time to start is now."

After two years of examining trends, considering options, and most importantly, listening to citizens and municipal leaders, I have come to a single compelling conclusion: Strengthening the region is not a choice - it's a necessity. And the time to start is now.

The key question is: How can we pull together everything we heard, learned, studied and debated during the Review and use that knowledge as a bridge to future actions to strengthen this region?

The answer lies in building on the good progress that has already been made in the region. But it also lies in being prepared to step forward, to consider new options, and to plant the seeds now for a durable and resilient new partnership in the Alberta Capital region.

The recommendations in this report reflect several basic assumptions and ideas.

First, new solutions can't be imposed. While some may have preferred either the Chair of this Review or the Province to say, "This is the solution and it must be implemented" – that approach simply won't work. Experience in other provinces shows us the turmoil that forced solutions can cause. Instead, we need to take this step by step, sort out problems as we go, and develop new approaches and solutions cooperatively.

Second, there is no silver bullet. No quick fixes. It's going to take time, effort, and cooperation to make it work. There will be hits and misses. Some approaches will work better than others. Some actions can happen more quickly than others. The key thing is to start now, and to learn from what works and what doesn't.

Third, new regional approaches must respect the identities and aspirations of individual communities. They must reflect our unique history, settlement patterns, western pioneering instincts, the creativity of our citizens, and the traditional willingness of Albertans to implement new ideas and new approaches.

"I want to emphasize the words "self determined regional partnerships" because there is no uniform approach – each municipality is unique, with different strengths and different focuses."

Honourable Walter Paszkowski, Speech to the Alberta Association of Canadian Institute of Planners Annual Conference, November 2000

Fourth, regional approaches must build on three important ideas:

- **Partnerships are the best option** – The old style, "command and control" approaches simply won't work in today's world.
- **Citizens want and expect choices** – There is no "one-size fits all" solution. Whatever new approaches are put in place, they must reflect the diversity of choices available in the region.
- **Regional transparency is essential** – People want, and expect, to know what is going on in their region. Easily accessible and understandable information should be available for all citizens in the region.

Through the Alberta Capital Region Governance Review, momentum has been building and it must be maintained. In order to ensure continuing progress, this report lays out an *Agenda for Action*. It's an agenda that recommends proceeding on two parallel tracks:

- **Partnership track** – Strengthening regional decision making, putting a new regional partnership in place, and addressing regional policy areas.
- **Shared services track** - Moving forward with deliberate actions to coordinate and share services across the region.

Each of these parallel tracks is equally important to the region, and they should be undertaken simultaneously. The following recommendations provide an overall, comprehensive agenda for moving forward to position this region for a strong and prosperous future.

A. Partnership track

Commit to building a stronger region.

Recommendation 1

Strengthen and formalize regional approaches on the basis of:

- A shared vision of the future.
- Shared leadership principles and behaviors.
- Four regional policy frameworks - growth management, environment, economic development, and social responsibilities.

Establish a durable partnership.

Recommendation 2

Establish a new partnership to strengthen and formalize decision making on a regional basis. A regional partnership agreement should:

- Specify how shared priorities and policies will be developed and implemented.
- Recognize the anchor role and predominance of the City of Edmonton.
- Provide representation for every municipality in the region.
- Include a voting formula that is predictable, known and understood, and that enables formal votes to be taken on motions where consensus is not possible. The formula should reflect population, diversity and geography.

Create a regional partnership agreement.

There is much to be gained by placing implementation in the hands of the municipalities affected by regional discussions. A Steering Group nominated by the municipalities should be responsible for establishing a regional partnership agreement. The partnership agreement must address essential implementation issues listed below. In some cases, suggestions have been provided for resolving these issues, but those suggestions are negotiable between municipalities and the Province. It is the responsibility of the municipalities to reach an agreement on the best way of addressing these implementation issues.

"A Steering Group nominated by the municipalities should be responsible for establishing a regional partnership agreement."

- **A name for the partnership** – Recognizing the need for national and international recognition, the name "Greater Edmonton Partnership" is suggested.
- **A vision for 2020** – Current vision statements are described later in this report. Further work is needed to define a vision that distinguishes this region and captures its strengths.
- **Membership** – Mandatory membership of all 21 municipalities that participated in this Review is important. All members should have a seat and voting rights.
- **Representation and voting mechanisms** – The decision making process must be finalized and must include a way to ensure that decisions can be made in situations where there is not unanimous agreement.
- **Roles, responsibilities and powers** – Roles, responsibilities and powers have been described in earlier reports from this Review and are summarized in later sections of this report.
- **Cost and revenue sharing arrangements** – Guidelines must be in place for determining when and how costs and revenues would be shared in the region.
- **Accountability to the citizens in the region** - Members of the partnership should be appointed by each municipal council from among currently elected mayors, reeves and councillors in the region. Regular "state of the region" reports should be provided to citizens.

Establish key policy frameworks

Recommendation 3 **Develop and implement four policy frameworks: *growth management, environment, economic development and social responsibilities.***

Specifically, two priority areas should be addressed:

Recommendation 3a Establish effective ways of coordinating economic development activities in the region and include a mechanism for ensuring voices for business and commerce in the region are included.

Recommendation 3b Identify how regional growth opportunities can be coordinated for long-term benefits.

B. Shared services track

Seize current opportunities for sharing services.

Recommendation 4 **Improve coordination of services delivered in the region.**

Municipalities in the region currently share and coordinate a number of services. However, there are additional areas where further work to share services across the region could be done, including information sharing and a geographic information system (GIS), fire and emergency services, transportation, and basic utilities. Studies were done on each of those areas as part of this Review and have been extensively reviewed by municipalities. Highlights of the studies and responses from municipalities are included in Appendix 1. The recommendations in those studies set an agenda for further action to coordinate and share services in the region.

Specifically, the municipalities should:

Recommendation 4a Implement the recommendations of the Review's study on a regional information network and proceed with developing a regional geographic information system.

Implement the recommendations of the Review's Specialized Fire and Emergency Report by developing a regional strategic business plan for fire and emergency services. **Recommendation 4b**

Develop a coordinated transportation plan for the region for 2010, addressing the transportation of both people and goods by road, rail and air. **Recommendation 4c**

Select the best approach for long-term delivery of water, wastewater, and solid waste services in the region. **Recommendation 4d**

C. Implementation

Put the essential components in place.

To be successful, regional coordination requires:

- Commitment from the municipalities involved
  All municipalities in the region must be actively involved and committed to the success of the region.

- Transitional funding from the Province
  The Province should provide transitional funding to the partnership. That funding should be tied to the achievement of reasonable progress on specific targets. **Recommendation 5**

- A new relationship with the Province
  The Province should work with the municipalities in a new relationship that supports regional thinking and action. **Recommendation 6**

- Tracking and measuring progress
  Regular reports should be provided on progress and achievements in the region. **Recommendation 7**

Set timelines and ensure momentum

Partnership track	Shared services track
Mid 2001 • Regional steering committee established. • Key decisions made on name, vision and membership. • Transitional funding from Province begins. • Province informed of funding requirements.	**Mid 2001** Regional plans in place for: • Developing a regional GIS. • Purchasing a mobile fire and emergency communications system.
December 2001 • Decisions made on remaining implementation issues. • Details of new relationship between Province and the region agreed to.	**December 2001** • Regional transportation plan in place.
Mid 2002 • Regional partnership agreement established. • Regional coordinating mechanism in place for economic development. • Agreement reached on approaches for guiding growth. • Plans in place for "state of the region" reports.	**Mid 2002** • Strategies in place for addressing utilities. • Conclusion reached on "spillover issue" for sharing costs.

D. Looking ahead

Considerable progress has been made through the Review. We now have an opportunity to build on that work – to forge a strong and resilient partnership, combine our talents, ideas and community strengths, and create a thriving and prosperous region.

Looking ahead, more and more issues that communities face will be regional in nature, extending beyond the boundaries of any single municipality. As we begin to tackle those regional issues, municipal leaders and citizens will be challenged to strike the right balance between seizing regional opportunities and preserving community preferences. To achieve that balance, municipalities must consider a wide range of options and opportunities for working together in new and innovative ways – ways that cut across traditional boundaries and challenge old ideas. It's up to communities and their leaders to determine the best ways for tackling regional issues in the longer term, but the time to start is now.

"Looking ahead, more and more issues that communities face will be regional in nature, extending beyond the boundaries of any single municipality."

After 24 months of intensive and productive work, this stage of the process is complete. It's time to hand over the reins to municipal, provincial, business and community leaders. It's up to all of us to keep it going.

I. Introduction

A. Why look at regional approaches?

Alberta's Capital region has a unique opportunity to define its future – to capitalize on new opportunities to join forces, share expertise and ideas, and position the region to compete globally and build a quality of life that is second to none.

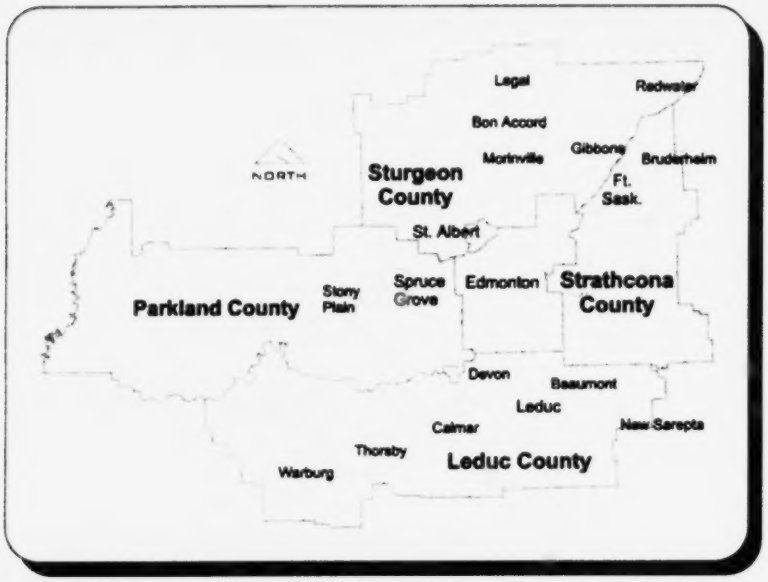
This "unique opportunity" is the reason for initiating the Alberta Capital Region Governance Review.

Since 1951, the region has grown by 300% and in 1999, it was the fifth largest region in Canada. By 2020, the region's population could surpass 1.3 million. Economic growth is attracting new business opportunities, creating jobs, and encouraging more and more people to make the region their home. At the same time, today's prosperity does not guarantee a strong future, particularly in the face of a rapidly developing global economy, advances in technology, and strong competition to attract investment and new business opportunities.

"Edmonton and its surrounding area is one of only a few major metropolitan areas in Canada that has not yet developed a regional approach to coordinating services and decision making."

Today, the Capital region is made up of 21 municipalities (see figure 1, page 2), each with its own elected officials, community history and plans for the future. While this diversity is a strength, it's also a challenge when it comes to "getting our act together" and positioning the region for the future. Edmonton and its surrounding area is one of only a few major metropolitan areas in Canada that has not yet developed a regional approach to coordinating services and decision making.

Figure 1



There are a number of important questions the region will face.

- *In a rapidly growing global economy, how can we best position the region to compete for new investment, new business developments and jobs?*
- *With growing demands on municipal services and infrastructure, how can we continue to ensure effective and efficient delivery of services to citizens in all parts of the region?*
- *With expected growth in the region, how can we plan ahead, anticipate the impact on the region, and take a long-term approach to important issues like transportation, utilities and land use?*
- *Knowing that social and environmental issues are not limited by the boundaries of a municipality, how can we position the region as a whole to respond to these issues?*

In 1998, the provincial government initiated the Alberta Capital Region Governance Review to address these important questions. The Review provided an opportunity to consider new approaches to regional leadership and the delivery of services across the region, and to look at whether a new relationship should be established between the provincial government and municipalities in the region. From the outset, the provincial government made a strong commitment that the Review would not be a top-down process. Forced amalgamations or annexations were not on the agenda. Instead, the objective was to create a "made-in-the-region" solution.

"A clear mission was set: To determine the best way to respond to opportunities in the region and establish the foundation for community satisfaction, improved service delivery and global competitiveness in the 21st century."

B. A unique two-year process

The Review unfolded in four stages.

In the first stage, municipal leaders and administrators worked together to set the basic framework for the Review. A clear mission was set: To determine the best way to respond to opportunities in the region and establish the foundation for community satisfaction, improved service delivery and global competitiveness in the 21st century. Three goals were identified: Provide excellent services to citizens, compete effectively in the global marketplace, and respond to challenges that are regional in scope.

In the second stage, a range of options was developed by the municipalities, key speakers with expertise and experience in local government and regional decision making presented their ideas, and workshops were held with municipal elected leaders.

In the third stage, three municipal subcommittees refined ideas and brought forward options for consideration by the Chief Elected Officials. Two citizen focus groups, six community discussion groups, and one stakeholder meeting provided opportunities for community members to express their views on options for the region. Social and economic profiles of the region were completed.

The results of the first three stages were highlighted in the First Report of the Alberta Capital Region Governance Review, released in March 2000. The First Report outlined nine key recommendations and served as the foundation for recommendations included in this final report. The original nine recommendations are included in Appendix 2 of this document.

In the final stage of the report, the focus shifted to three key areas:

- *Opportunities for working together to deliver and coordinate services in the region.*
- *Redefining relationships with the Province.*
- *Developing an implementation plan.*

This report highlights the overall conclusions and final recommendations resulting from the Review. Rather than summarizing all the work that contributed to this report, it takes a step back, looks at what we learned through the process, where we need to go from here, and how to get there. Complete information on all the various studies, background reports, meetings and discussions is available, until March 31, 2001, by checking the website at www.acrgr.org. After March 31, 2001, all the background information and studies will be compiled on a compact disk that will be available by contacting Alberta Municipal Affairs.

II. A context for change

A. What have we learned through the Review?

As part of the Review, a number of studies have been undertaken and extensive consultations have been held with a wide range of people in the region. While the following list is in no way comprehensive, these are some of the key things we've learned.

A number of forces are pushing us to think and act regionally.

- The global economy is creating a competitive environment that requires a greater presence and greater strength than one municipality can offer.
- The rising cost of delivering municipal services and infrastructure is driving all municipalities to look for potential savings. Citizens are looking for more and better quality services at a reasonable cost.
- The rapid growth of many municipalities in the region is creating a number of challenges that go beyond the boundary of any single municipality – urban sprawl, traffic congestion, pollution, and pressure on utilities and resources are just a few.
- The Internet and information technologies are increasing the speed and volume of information available, making municipal boundaries less meaningful, and creating more expectations for regional cooperation.
- Citizens expect their leaders to think about, and plan for, growth and quality of life not just for the immediate future, but for generations to come.

Economically, the region gets a passing grade.

Studies conducted for the Review give the Capital region's economic performance over the past two decades a passing grade, but it's by no means superlative. Economic performance has been more promising in the recent past.

- Population is growing at a reasonable pace compared with other Canadian cities. Employment growth compares favorably with other leading Canadian cities but lags behind Calgary, Toronto and Vancouver.

- From 1996 to 1997, employment grew by almost 6%, however, the rate of growth has since fallen below 2%. Greater Edmonton's unemployment rate is the lowest it's been in 10 years (*Greater Edmonton Competitiveness Strategy*, September 2000).
- Growth in the region's gross domestic product (GDP) has been significant and is expected to continue.
- In terms of new businesses, the number of new businesses in Edmonton's metropolitan area grew by 119% from 1990 to 1999. That puts us behind Calgary (175%), Vancouver (143%), Toronto (143%), Ottawa-Hull (143%), and Montreal (124%), but ahead of Victoria, Hamilton, Winnipeg and Regina (*Regional Economic and Financial Analyses*, Nichols Applied Management, January 2000).

"Times are good, but the region cannot take its current economic success for granted."

Greater Edmonton Competitiveness Strategy, September 2000

We pride ourselves on quality of life, but not all people in the region share in the benefits of success.

Active volunteers, a vibrant arts and cultural community, sports and recreation facilities, diversity of communities – all of these factors make the Capital region an attractive and exciting place to live, work and play. At the same time, we are not immune to problems many cities face and not all people in the region share fully in the benefits the region has to offer. A study prepared for the Review found that the percentage of low-income families and individuals has increased since 1991 and estimates are that one in four children in the region lives in poverty. Poverty is not confined to Edmonton or the cities in the region. Pockets of poverty exist in communities like Bruderheim, New Sarepta, Thorsby and Redwater (*A Social Profile of the Alberta Capital Region*, Community Consulting Services, November 1999). In terms of average household income, the Edmonton region lags behind places like Toronto, Calgary, Ottawa-Hull, Vancouver, Hamilton and Victoria (*Regional Economic and Financial Analyses*, Nichols Applied Management, January 2000).

Future success and sustainability depend on a high level of cooperation across the region.

In a highly competitive marketplace, individual municipalities in the region can't compete if they try to go it alone. Businesses looking for places to invest and expand prefer to talk to regions rather than to each of the municipalities within a region. And many of the smaller municipalities in the region simply are not big enough to be competitive and effective. Together, the region can offer a comprehensive and attractive package of advantages that make investment in the Capital region a wise business choice for potential investors.

Successful regional approaches are already in place.

A number of successful regional institutions are already in place in the region including the Alberta Capital Region Alliance, the Capital Region Wastewater Commission, the Edmonton Regional Airport Authority, and the Capital Health Authority. The Capital Region Wastewater Commission has shown that elected officials can work together and share expenses across a multitude of municipal boundaries. In addition to these regional institutions, there are hundreds of inter-municipal service agreements in place that support shared services among certain municipalities in the region. The City of Calgary and surrounding communities are also taking steps to explore regional approaches.

There are barriers to overcome.

Municipal leaders identified a number of barriers to regional cooperation, but most of them can be overcome. Barriers tend to focus on issues of fairness, funding, different boundaries for different services, property assessment, changes in service standards, compatibility of systems and standards, and a range of human resource issues. Specific barriers to regional approaches include:

- The traditional expectations of the electorate and municipal pride.
- Accountability of elected representatives for issues that extend beyond municipal boundaries.

- Jurisdictional tensions between urban, rural and suburban areas.
- Issues of power and control.
- A focus on short-term rather than long-term expectations.
- Relationships with the provincial government.
- The need for leadership to champion the region as a whole.

Fortunately, existing legislation is not a barrier to regional cooperation. In fact, the Municipal Government Act anticipated the growth of regional approaches and provides a high degree of flexibility in considering means to implement new regional approaches.

B. What can the region expect in the future?

It's important to start with some assumptions about what the future holds for this region.

Population

The region's population is likely to grow at a faster rate than most Canadian metropolitan regions, but a little slower than the growth rate experienced between 1980 and 2000. The Conference Board of Canada predicts an average population growth of 1.4% over the next 20 years. Based on this rate of growth, the population of the region will be 1.1 million by 2016 and 1.3 million by 2030. We'll also have a significant aging population – a higher percentage of people in their 70s and 80s, and fewer school-aged children.

Technology

More and more people will use the Internet and the latest new developments in information technology. The Province's recent announcement of a new high speed, fibre optic Supernet will expand opportunities for individuals, homes, businesses, schools, health organizations, and a wide range of public and private organizations to link to the Internet. By 2010, expectations are that 90% of households and businesses in Alberta will be connected to the Internet. E-commerce and e-government applications will grow rapidly.

Municipal revenues

Municipalities may have to consider new revenue sources as costs of services continue to increase. Municipalities have said that limits are being reached on what the existing property tax base can bear. The need for infrastructure renewal will be a significant financial concern. Property taxes also are becoming a less reliable tax base. With the expansion of e-commerce, companies with large revenues can operate from relatively small locations, own little land or office space, and therefore pay little or no property taxes.

Growth patterns

Growth in the region will be affected by the emergence of major "clusters" of activity. Future growth is likely to occur around clusters like the University of Alberta and research parks, major industrial areas, major business and commercial areas, and transportation nodes such as the Edmonton International Airport. While the city of Edmonton will continue to grow, the towns, counties and cities around Edmonton will grow faster. By 2016, about three out of every four people will live in the city, down from today's rate of 81% (*A Social Profile of the Alberta Capital Region*, Community Consulting Services, November 1999).

Natural assets

The region's green space, clean air and water will be under pressure as population increases and industrial development continues. While air and water quality is monitored, there will be an increasing need for a coordinated effort to manage these precious resources. The Fort Saskatchewan Clean Air Alliance is an existing example of many stakeholders working together to protect air quality. The region has recently seen the emergence of a River Valley Alliance – a citizen-led group working with municipalities to achieve a coordinated plan for the North Saskatchewan River Valley and develop one of the largest urban parks in North America.

Communities

As the population grows, maintaining community identity and avoiding chronic traffic congestion will become more important issues.

Competitiveness

A collaborative network of public and private partners - combining governments, businesses, academic institutions and volunteers - will need to work together to ensure that the region remains competitive in the global economy. Steps are already being taken today with the Greater Edmonton Competitiveness Strategy, a process involving more than 1,000 regional business, institutional, and government leaders.

Services

Municipalities will increasingly have to work together to deliver shared services, emphasizing quality and efficiency of services rather than boundaries.

III. The foundation for regional thinking

"It's about creating effective and efficient regional partnerships – working towards cooperative management of important service systems and creating the proper atmosphere to attract and retain investment."

Honourable Walter Paszkowski, Speech to the Alberta Association of Canadian Institute of Planners Annual Conference, November 2000

Recommendations for the future have to take into account not only the facts about what we know today and can assume might happen in the future. They also have to look at the big picture, consider trends across Canada and around the world. And most importantly, they have to take into account what people in the region want and expect.

Through studies, consultations and conversations, three key building blocks have emerged and shape all recommendations outlined in this report.

A. Partnerships are the best option

Many different approaches were considered as part of this Review. Of the many options available, partnerships are the best option for this region. Partnerships involve networking, negotiation and mutual investment for mutual gain. The old style, centralized approach with command and control from the top is not the way to govern our region.

Partnerships also are the best way of deciding how municipalities can fairly share both the revenues coming from new developments in the region and the costs of working together and sharing services and facilities. The real costs of providing facilities and services must be recognized along with the fact that those facilities and services will often benefit residents and businesses beyond the boundaries of a single municipality.

B. Citizens want and expect choices

Over the last four decades, this region has developed as a "community of communities", offering a range of residential and business choices that is unusual in comparison to most metropolitan areas in Canada. This is a strength of the region and it should be respected.

A standardized "one size fits all" approach to the delivery of services in the region simply will not work. Citizens and their municipal leaders want choices. Those choices must include being able to choose among the diverse neighborhoods and communities in the region. People must be able to move seamlessly across municipal boundaries regardless of where they live, work, shop, secure an education, or participate in recreation, arts and culture. Choices in how services are delivered in the region must also be considered. These could include municipal collaboration, cooperation or integration, service boards, agencies and commissions, private companies, volunteer associations, or any combination of these options.

There also needs to be flexibility in the range of options available to communities for determining their own futures. As the region evolves over the next 10 to 20 years, communities may choose from a range of formal and informal options for providing regional representation and decision making, delivering services, and meeting the expectations of their citizens.

C. Regional transparency is essential

Citizens are entitled to know what's going on in the region. They need easy access to understandable information about their region and about decisions that are being made on their behalf. They expect a clear window through which they can continuously observe regional decision-making.

"Citizens can access huge reservoirs of information about public policy options, draw their own conclusions, and provide input."

Increasingly well-educated people, combined with the explosion of Internet information means that citizens can access huge reservoirs of information about public policy options, draw their own conclusions, and provide input. In the future, agendas, minutes, studies and supporting information related to regional decisions should be available to citizens on the Internet. Citizens should have an opportunity to comment at any time on issues or decisions affecting the region and should have access to information about the true cost of regional service options. Transparency also means that information about all provincial support for services provided in a municipality (e.g. support for police services, transportation grants, or support for facilities) should be available to everyone in the region.

IV. Moving forward on two tracks

In the first part of the Alberta Capital Region Governance Review, the focus was on a common vision for the region and options for strengthening the region through regional decision making. That work culminated in the First Report in March 2000. In the last phase of the Review, the focus has shifted to services, looking more specifically at essential services such as transportation, three types of utilities, fire and emergency services, and considering how the region can work together in those important areas.

Looking ahead, it's important for the region to proceed on two parallel and equally important tracks:

- **A partnership track, and**
- **A shared services track.**

Some would say, "Let's just talk about sharing services, but not about the need for regional governance approaches." Others would say, " Let's get the decision making process in place first before we go further with coordinating and sharing services." Neither approach will work on its own.

The region should proceed on both tracks at the same time. If the focus is solely on services, it will be increasingly difficult to make decisions on what services should be shared and how, and to coordinate and manage hundreds of municipal service agreements. The result could also be an increasingly tangled arrangement of various services available in some parts of the region but not in others. Without some regional governance approaches in place, it will be difficult, if not impossible, to make decisions and move much further than where the region is today. On the other hand, delaying action on sharing services until the more complex decisions about how the region can work together and jointly manage future regional decisions, is not a sound approach.

A. Partnership track

The First Report from this Review proposed the establishment of an Edmonton Capital Regional Council. That recommendation sparked divisive debate and discussion. Although the intent was not to create a new level of government, many thought that it would. Some feared it would take away responsibility and accountability from locally elected municipal leaders and jeopardize the identity of individual communities. Others wondered how representation would be decided and decisions made.

"People understand that we need an appropriate mechanism for thinking, acting, and making decisions as a region."

There are literally hundreds of decision-making models that could be followed. Many of those options are described in this fall's report from the Review: *Setting the Stage for Strong Regions: Choices for the Future (October 2000).* Clearly the consensus in the region is that people do not want another layer of government. They're not looking for a "super council" to oversee the work of others. Nor do they want their local councils absorbed by a larger body responsible for the region as a whole. At the same time, people understand that we need an appropriate mechanism for thinking, acting, and making decisions as a region.

To achieve a new vision for the region, no new level of government is needed ... no new regional buildings or new "super council" to oversee the work of others. With the creative use of information and computer technology, effective information sharing, and a strong commitment to partnerships across the region, good results can be achieved without creating cumbersome new structures.

Commit to building a stronger region.

Recommendation 1

Strengthen and formalize regional approaches based on:

- **A shared vision of the future.**
- **Shared leadership principles and behaviors.**
- **Four policy frameworks - growth management, environment, economic development, and social responsibilities.**

This reaffirms the importance of Recommendations 1 and 2 of the First Report (see Appendix 2). While there are disagreements on specifics, people understand the value and importance of strengthening regional approaches.

To move forward with more regional approaches, it's essential for municipalities to agree on a vision of what the region should look like in 2030.

Municipal leaders have already expressed support for the following initial vision, included in the First Report.

Vision – First Report

Rooted in strong communication that gives voice to all concerns, the vision of the future is one of coordination and partnership that achieves the following:

- *A high quality of life for citizens.*
- *A community of communities where the local needs, expectations and lifestyles of each community are respected.*
- *A diverse, self-reliant region.*
- *Coordination of decisions and services within the region.*
- *Excellent services to citizens.*
- *Satisfaction with decisions about the region, as expressed by citizens and elected councils.*

Subsequent discussions with representatives of the business community and municipal leaders produced the following vision statement:

In 2030, Greater Edmonton, Alberta's capital, is an attractive place in which to live and do business because the region has maintained a high quality of life through a significant period of growth and change. While the region has a population well over one million, there is a diversity of residential communities within the region that have maintained their local identity and character. The economy is diverse: greater Edmonton has maintained a diversity of industries and a widely respected academic and government sector.

People come to the region not only because of the healthy, diverse economy and the well-maintained natural and cultural attributes of the region; they also value the "local community" sense that has been preserved. Greater Edmonton is big without rush hours. Many people are able to work near where they live, and are able to volunteer with their community and play an important role within their community. While the residents are electronically connected, the region is "people friendly." There is a balance between roads for cars and trails, streetscapes and public facilities.

Figure 2

Leadership principles

Good local governance is the right of the people and is best achieved by principle-centred leadership behaviors.

Respect local needs – Seek to recognize and understand each other's perspectives.

Trust and mutual respect – Transparency of information and equal opportunity to contribute to solutions.

Clear goals – Desirable outcomes are defined for each issue.

Leadership – Elected officials in municipalities in the region focus on common issues.

Interdependency – Work together for mutual success.

Cooperation – Focus on cooperation and mutual benefit.

"Grass roots" involvement – any changes that affect municipalities are based upon consultation with those who are affected by the decisions.

While there was substantial agreement on this vision by both business representatives and municipal leaders, some areas of disagreement remain. The municipalities should come to a common understanding of the preferred vision for the region. That vision has to take the long-term view, stretch our imaginations, and pull us forward to the kind of future we want to build for the region. It should address important questions such as:

- What are the competitive advantages we need to highlight in a vision for the future? How can we highlight the region's economic diversity, leading edge technology, attractive business climate, and outstanding quality of life?
- What draws people to this region?
- How do we reflect the culture, arts and traditions of the region?
- What distinguishes this region from others in Canada and North America as a preferred place to live, work, invest and do business?

Municipalities in the region should also formally endorse the leadership principles (figure 2) and leadership behaviors (figure 3, page 18) they developed, and unanimously agreed to, as part of this Review.

Establish a durable partnership

As noted earlier, good progress has been made in a number of areas through consensus, informal arrangements and shared service agreements. However, the current arrangements are fragile and do not necessarily provide the best mechanism for making decisions in the longer term.

Establish a new partnership to strengthen and formalize decision making on a regional basis. A regional partnership agreement should:

Recommendation 2

- Specify how shared priorities and policies and will be developed and implemented.
- Recognize the anchor role and predominance of the City of Edmonton.
- Provide representation for every municipality in the region.
- Include a voting formula that is predictable, known and understood, and that enables formal votes to be taken on motions where consensus is not possible. The formula should reflect population, diversity and geography.

Throughout the Review process, a number of issues related to regional decision making have been the subject of extensive discussion and debate. There are many areas of agreement about options for decision making among municipalities in the region, but there also are substantial areas of disagreement, primarily around representation and voting. That debate should not continue indefinitely; the municipalities in the region should select the best approach and move forward.

The above recommendation is based on the following rationale:

- A partnership is the best option for the region. A new layer of governance is not necessary. A partnership preserves the concept of a "community of communities." But it also reflects an understanding that municipalities in the region need a formal way to work together and make decisions that strengthen the region as a whole.
- The partnership should be formal and visible.

The recommendation to formally establish a regional partnership is fundamental to this Final Report and is recommended to both the Province and the municipalities in the region.

Figure 3

Leadership behaviors

Appropriate community input – Identify community expectations and ensure convenient and effective opportunities for input on regional issues.

Consistency – Develop a process to ensure that regional matters are handled in a way that is known and understood.

Dispute resolution – Develop a process to resolve disputes that is known and understood.

Communication and sharing – Ease of discussion and exchange among municipalities at the political, administrative and community levels.

Create a regional partnership agreement

The implementation issues listed below must be addressed by the municipalities through a regional partnership agreement. In some cases, suggestions have been provided for resolving these issues, but those suggestions are negotiable between municipalities and the Province. It is the responsibility of municipalities to reach an agreement on the best way of addressing implementation issues.

A regional steering committee selected by the 21 municipalities should be established with the responsibility for developing an appropriate regional partnership agreement. The regional steering committee could be the Alberta Capital Region Alliance or another mechanism agreed to by the municipalities involved.

The regional partnership agreement should address the following implementation issues.

1. **Name of the partnership -** The name "Greater Edmonton Partnership" is suggested. It received support because national and international recognition is important and because "Edmonton" is the most identifiable and well-known city in the region. Optionally, some municipalities supported the name "Alberta Capital Region Partnership."

2. **Vision -** The municipalities are close to developing a vision. They should make a decision based on the draft visions they developed and agreed to (see page 16). The vision should address the specific questions posed on page 17.

3. **Membership -** Membership should be mandatory and should include all 21 municipalities who have worked together in the Review over the past 24 months.

4. **Representation and voting -** Specific mechanisms for representation and voting should be consistent with the following criteria:
   - The anchor role and predominance of Edmonton should be recognized.
   - Every municipality in the region should have representation.

- The voting formula should be predictable, known and understood.
- The voting formula should reflect population, diversity and geography.

Representation and voting are complex but essential issues. There must be effective mechanisms in place to ensure that decisions can be made and votes can be taken on motions where consensus is not possible. The voting mechanism should ensure that a majority of municipalities are not able to impose services in an unwilling municipality. Conversely, the mechanism should also ensure that a small number of municipalities are not able to prevent the majority from proceeding on a particular initiative.

5. **Duties, responsibilities and powers –** Municipalities should list these in the regional partnership agreement with an understanding that they likely will evolve over time. The initial list should include:
   - Setting priorities.
   - Coordinating services delivered across the region.
   - Coordinating economic development at the regional level.
   - Developing growth management guidelines.
   - Clarifying roles and responsibilities for social services.
   - Monitoring regional progress and success.
   - Establishing revenue and expenditure sharing requirements.
   - Assessing regional trends, opportunities and options.

6. **Cost and revenue sharing –** Cost and revenue sharing arrangements are essential in the region. The following approaches are suggested as a starting point.

   - **Costs** – How should costs for regional services, facilities and initiatives be shared?

     New facilities – Where new facilities benefit two or more municipalities in the region, those facilities should be jointly planned, built, financed and operated. User pay approaches could be used to ensure that operating costs are borne in proportion to use.

Cost-sharing with provincial and federal governments - A number of municipalities may join with the provincial and/or federal government to share public sector expenditures in areas such as environmental costs of waste disposal or pollution clean up or the social costs of providing services to homeless people.

Inter-municipal "spill over" costs – The City of Edmonton says that it carries added and uncompensated costs in providing services and cultural and recreation facilities to suburban residents, maintaining and upgrading roads used by daily commuters, and providing social services for low income and disadvantaged people in the downtown core. There is no consensus on these spillover costs; however, this issue should be addressed in future regional discussions.

- **Revenues** – How should revenues be shared when large new industries locate in the region?

  Where there is new commercial and industrial activity resulting from shared investments by municipalities, the new tax revenues should be shared proportionately between those municipalities that invested money and effort.

7. **Accountability to citizens –** Members of the partnership should be appointed by each municipal council from among currently elected mayors, reeves, and councillors in the region. Regular "state of the region" reports should be provided to citizens. These reports should measure progress year over year and measure our region's progress against others in Canada.

Establish key policy frameworks

Four policy frameworks - growth management, environment, economic development and social responsibilities – should be developed and implemented.

Recommendation 3

Municipalities agreed that developing and implementing policy frameworks in these four areas was important for defining the future for the region. Since the First Report of the Review, further studies were done on two policy areas: economic development and growth management (see Appendix 1 for additional information on these studies).

Two policy frameworks – economic development and growth management – should be addressed on a priority basis.

Effective ways of coordinating economic development activities in the region should be established and should include a mechanism for providing a voice for the business and commerce community.

Recommendation 3a

The opportunity to attract international investors will improve if there is a single window to explore opportunities in the region. It will be increasingly important to find the best ways of coordinating all economic development activities so that the region can continue to improve competitiveness and encourage business investment and growth.

Throughout the Review, representatives of the Chambers of Commerce and the business community clearly indicated that they wanted to contribute to economic development plans in the region. A mechanism is needed to provide them with an appropriate role in the process.

Municipalities in the region should identify how regional growth opportunities can be coordinated for long-term benefits.

Recommendation 3b

The region is taking steps to ensure that it continues to grow at a significant pace for the foreseeable future. This is likely to bring desirable economic expansion and new opportunities.

By working together and looking at the "big picture," the region should be able to:

- Preserve rich agricultural land and prevent undesirable urban sprawl.
- Reduce traffic congestion and related air pollution.
- Maintain green space and natural areas.
- Ensure that businesses and commercial areas don't develop in a "leap frog" manner.
- Maintain the unique features and character of each municipality.
- Manage servicing costs.

Without thoughtful regional approaches to guide growth, we could see unchecked urban sprawl and loss of green space, increasing service costs, clogged traffic routes, and a loss of many of the high quality features we value in each of the communities in the region.

B. Shared services track

Sorting out governance approaches shouldn't stand in the way of moving forward immediately on specific opportunities for sharing services. Actions speak louder than words. By carefully selecting areas where there are good chances of success or real demands to act more quickly, we can provide opportunities to test different models of partnership.

In the past few months, several key studies have been undertaken as part of the Alberta Capital Region Governance Review. Those studies describe the current situation and point to opportunities for regional cooperation in the following areas:

- **A regional information network.**
- **Fire and emergency services.**
- **Transportation.**
- **Utilities.**

Appendix 1 provides background on these study areas as well as brief highlights of the responses from various municipalities. The recommendations in these studies set an agenda for further action to share services in the region.

In each of these areas, the objective is to look for opportunities to achieve good success and real benefits for the citizens of the region in the short term and over the longer term as well. There is no "one size fits all" solution for each of these areas. Instead, there are unique opportunities to take action now, undertake further studies, and build new models of cooperation in the delivery of key services.

Within that context, the following recommendations relate directly to seizing opportunities for moving forward on specific services in the region.

Seize current opportunities for sharing services

Improve coordination of services delivered in the region. **Recommendation 4**

Initiatives taken in the past and more recent studies point to the value of coordinating and sharing services.

Municipalities have considerable experience in shared services agreements and have identified and unanimously agreed to nine specific goals for regional delivery of services (figure 4, page 25). Those goals should guide future decisions about regional delivery of services.

Take specific actions

1. A regional information network

Implement the recommendations of the study on a regional information network and proceed with developing a regional geographic information system. **Recommendation 4a**

Figure 4

Goals for regional delivery of services:

- Citizens will receive best value for their dollars.
- Citizens will benefit from service and facility enhancements in the long term.
- Service delivery will be flexible enough to allow each community to choose its preferred service level.
- Volunteerism will continue to be supported and encouraged.
- Citizens will know who is responsible for service delivery and concerns.
- Sustainable benefit to the region will be a priority.
- Service delivery will be more cost effective after restructuring.
- No new level of government will be created.
- Community identity will be maintained.

The Capital region has an opportunity to lead the country in implementing electronic networking and geographic information systems (GIS) on a regional basis. A geographic information system uses maps to represent land-based features such as boundaries, land use, roads and water lines. Information is available via satellite and can be used to provide an organized view of the region. With a GIS, citizens, businesses and governments have the tools they need to understand how land is being used in the region and the impact of various decisions. It also would allow people to see the regional impact of infrastructure developments, map out new roads, track water quality and sewage disposal, assess the best places for industries to locate, or file for a development permit or a business license from their home. A single website could provide a comprehensive range of information for municipalities, citizens, businesses, and interested people across Canada and around the world.

The First Report of the Alberta Capital Region Governance Review recommended that the potential for a regional electronic network, including a regional GIS, should be a priority area for further study. A subsequent study showed significant support for regional approaches (see Appendix 1 for further information). The existing geographic information systems in several municipalities are excellent and two municipalities have won national awards for their systems. The majority of municipalities supported moving forward on a regional GIS and many suggested that, if this work does not proceed on a regional basis, the result will be duplicated effort and costs and incompatible systems and information across the region.

This development will be greatly supported by the use of the recently announced "Supernet" fibre optic network being developed with provincial funding. The new network will be in place in the region in the next two years. A regional GIS initiative will create globally attractive local technology and capability.

By mid-2001, work should be done to:

- Clean up and consolidate existing data in targeted areas.
- Identify target user communities and users.
- Establish a representative body to oversee the initiative (this could be done by the partnership).
- Set the goals for a regional GIS.
- Endorse a regional framework and service delivery model.
- Develop a long-term implementation and transition plan.
- Develop a neutral and region-wide format and standards for data exchange.

By the end of 2001, work should be done to identify detailed requirements, develop an incremental strategy, identify the specific technology and resources available, develop a regional framework and infrastructure, and initiate pilot projects.

2. Fire and emergency services

Recommendation 4b

Implement the recommendations of the Specialized Fire and Emergency Report by developing a regional strategic business plan for fire and emergency services.

The Specialized Fire and Emergency Report noted that "emergencies do not recognize boundaries." The study suggests that over the past 35 years, good cooperation has developed between the various emergency services in the region and a number of mutual aid agreements are in place. However, the study also pointed to areas where further cooperation among municipalities in the region is recommended including:

- Sharing of response resources.
- Training.
- Critical incident stress.
- Risk profiles.
- Strategic purchasing.
- Recruitment of volunteers and full time staff.
- Comprehensive study of the full spectrum of emergency services.

The study recommended that completion of a Regional Strategic Business Plan is a necessity to address each of these areas (see Appendix 1 for further information).

The working committee that has been reviewing fire and emergency services should continue to meet to develop the regional business plan. That plan should include:

Purchase of a vehicle capable of providing an automatic link between the various frequencies used by police, fire, ambulance and other disaster services in the region, especially in the case of large-scale disasters
Risk analysis to assess whether fire and emergency response times are adequate.

3. Transportation

Recommendation 4c

Develop a coordinated transportation plan for the region for 2010, addressing the transportation of both people and goods by roads, rail and air.

Specifically, priority attention should be given to:

- The implications of establishing public transit (both road and rail) corridors for high-density areas and fast-developing parts of the region.
- A range of options for public transit in and between all parts of the region.
- The location and nature of connections to the Provincial North-South Transportation Corridor, including the quality of radial links, maximizing opportunities for seamless regional road construction and planning, and maximizing the convenience of traffic signal timing on major regional roads.

4. Utilities

Recommendation 4d

Select the best approach for the long-term delivery of water, wastewater, and solid waste services in the region.

As part of this Review, studies were done on three key utilities:

- Water treatment, transmission and distribution.
- Wastewater treatment and transmission.
- Solid waste collection and disposal.

In each of those three areas, municipalities have taken a variety of steps to work together and to integrate some of the essential services. However, the studies pointed to issues and options that need to be addressed. Further information about those issues, the pros and cons of various options, and the initial responses of municipalities are summarized in Appendix 1.

On water treatment, transmission and distribution, the municipalities should:

- Examine the long-term implications of maintaining the current postage stamp rate versus the option of user pay funding.
- Examine all water system ownership and maintenance options.
- Anticipate and respond to increasingly rigorous provincial and federal environmental regulations.

On wastewater treatment and transmission, the municipalities should continue to examine the potential savings possible if the water delivery system was combined with the wastewater delivery system under a new Capital Region Water and Wastewater Commission.

The municipalities should also examine pros and cons of:

- Equity investment in one regional wastewater commission.
- Sale of all systems to a private sector owner.
- Maintaining municipal ownership and hiring a contract operator.
- Establishing a new wastewater authority.

In relation to solid waste collection and disposal, the municipalities should undertake an in-depth review of:

- The need for a new regional landfill for 2010 - 2015 and whether it could and should be established in or outside the region.
- Implications of a growing monopoly on waste collection and disposal in the region.
- Desirability and feasibility of establishing a Solid Waste Authority for the region or a joint solid waste-wastewater Authority.
- Opportunities to regionalize and integrate eco-stations (sites for the collection of toxic and hazardous household products) and composting facilities.

5. Other areas with high potential

The areas listed below were identified and generally supported by municipalities in the region and provide an agenda for future study and action. There is good potential for future regional cooperation in the following areas:

- **Public transit management** – Currently, there are several bus lines in the region. There could be benefits in greater cooperation in inter-municipal and airport services.
- **DATS** – Greater coordination of the Disabled Adult Transit Service across the region could provide more seamless service to disabled people in the region.
- **Municipal corporate services** – Expertise could be shared in corporate planning, human resources, purchasing, financial services, and creation of a call centre and a website for the region.
- **River valley parks** – The work of groups like the River Valley Alliance provide a good model.
- **Medical transportation** – Municipalities could consider cooperating further on ambulance transportation of patients between health centres, hospitals, and their homes.
- **Bylaw enforcement** – Establishing a single bylaw enforcement organization or developing arrangements for sharing services could assist in enforcement, provide lower costs, simplify services, and expand training opportunities.

Considerable work also has been done by the Alberta Capital Regional Alliance and the University of Alberta on developing the concept of a *regional studies centre*. A centre such as this could provide valuable information, research and services for the region and deserves careful consideration in the future. The feasibility of supporting such a centre should be considered further and more detailed information from successful regional studies centres in North America should be obtained.

VI. Implementation

A. Put the essential components in place

What's needed to make this work and to follow through on specific actions to build a strong region?

"If the Province sees benefit in change occurring, it should consider providing incentives that make change desirable."

Setting the Stage for Strong Regions: Choices for the Future, October 2000

Commitment from municipalities

Municipalities have an opportunity to work together to establish a new partnership. For a regional partnership to be a success, it will take a common commitment from municipalities and a willingness to overcome barriers and give new, regional approaches a try.

Transitional funding from the Province

Recommendation 5

The Province should provide transitional funding to the partnership. The funding should be tied to the achievement of reasonable progress on specific targets.

Because many parts of the Province will benefit from more regional thinking and action in the Capital region, and because a stronger regional framework needs a "kick start", the Province should provide transitional funding. Targeted funding from the Province in a transition period will ensure that the momentum developed over the past two years continues and results in deliberate actions in the region.

New relationship with provincial government

Recommendation 6

The Province should work with the municipalities in a new relationship that supports regional thinking and action.

Regional approaches are emerging in several parts of Alberta. Because this creates advantages for both those communities and for the Province, the Province should make changes that support the transition to regional thinking and action.

The following guidelines should apply:

- **Simplify business dealings**. The relationship should be based on a new business relationship. Revisiting constitutional relationships will not be productive. The relationship should encourage both parties (municipalities and provincial departments) to simplify business dealings and reduce the potential for conflicting policies or priorities. This implies more internal coordination and consistency on both sides of the relationship. A senior management committee in the Province should address how this can best be accomplished within the provincial government.

- **Create regional agreements that take precedence**. The relationship should clarify when an issue is "regional" and should recognize that for regional issues, regional agreements take precedence over individual municipal agreements. The Province should communicate its expectations that regional partnerships must be durable and dependable, and that if the Province sits at the table with a regional partnership, it expects the members of the partnership to respect the regional decision that is reached.

- **Don't let multiple regional boundaries get in the way**. Provincial departments should review their regional boundaries when the Capital region partnership is formalized. Boundaries doe not necessarily have to be adjusted, but confusion or inconvenience created by differing boundaries should be minimized.

- **Create incentives for thinking regionally**. The Province did this in 1999 by providing transportation funding on the condition of regional agreement about priorities. Provincial incentives may include co-investment in new regional infrastructure that offers shared advantage and adapts the region to changing technology (e.g. regional intranet and GIS capabilities), delegation of funding to the regional partnership where a mutually supported plan has been improved (e.g. transportation funding), and offering development funds to support new regional capacities (e.g. funding the development of a regional decision-making process).

- **Reduce the potential for irritants**. Wherever one municipality can access grants, services, or facility funding on a different basis than another, it creates an aggravation that reduces the desire for regional thinking. Examples of irritants include current differentials in the cost of RCMP services in the region and differences in the level of provincial investment in major infrastructure (e.g. sewage lines and treatment facilities).

Tracking and measuring progress.

Regular reports should be provided on progress and achievements in the region.

Recommendation 7

For citizens to understand changes and initiatives in the region, they need clear, understandable information on a regular basis. The development of a regular "state of the region" report can also provide leaders with the information they need to evaluate programs and make appropriate and effective decisions about the future. Such a report also provides a clear measure of accountability and helps citizens and community leaders understand regional changes and their impact.

Several of our municipalities have done good work in developing annual report cards on their performance. A new report for the region should build on this experience and expertise and be established as one of the first priorities.

B. Set timelines and ensure momentum

Momentum has been built over the past two years. To ensure that progress continues, it is critical that timelines be set and specific actions taken.

Timelines for moving forward should take into account the following principles:

- Municipalities should continue to take the lead and be the driving force in deciding how the implementation issues are addressed and in what order.
- The Province should provide incentives, monetary and otherwise, to stimulate and support the transition.

- Provincial incentives should be tied to the achievement of measurable progress. There should be built-in incentives for municipalities to make the necessary decisions and there should be deadlines for the establishment of the basic elements of the new partnership agreement.
- Timelines and implementation decisions should recognize and be aligned with the provincial budget process. Provincial budget decisions for the fiscal year April 1, 2002 to March 31, 2003 are made in mid-year 2001. Therefore, transitional funding and changes to existing funding arrangements must be known by then.

With those principles in mind, the following agenda and implementation timelines are proposed. It is an ambitious agenda, but it is based on an understanding that we are not starting from square one. Momentum has been built. Considerable agreement has been reached in a number of areas, and provides a solid basis for moving forward.

Timelines for the Partnership Track

- Mid 2001
  - Municipalities decide on a regional steering committee responsible for developing a regional partnership agreement.
  - Municipalities make decisions on key implementation issues including name of the region, vision, and membership.
  - Province provides transitional funding.
  - Municipalities inform the Province of transition and other funding requirements for 2002.

- December 2001
  - Municipalities make decisions on remaining implementation issues including representation and voting, roles and responsibilities, and revenue and expenditure sharing arrangements.
  - Details of new relationship with the Province are agreed to by both the Province and municipalities.

➢ Mid 2002
- Regional partnership agreement is established and approved by both municipalities and the Province.
- A regional coordinating mechanism/agency for economic development is in place.
- Agreement is reached on approaches for guiding growth in the region.
- Plans are in place for preparing regular "state of the region" reports.

Timelines for the Shared Services Track

➢ Mid 2001
- Municipalities have plans in place for:
  - √ Developing a regional GIS.
  - √ Purchasing a mobile fire and emergency communications system.

➢ December 2001
- A regional transportation plan for 2010 is in place, addressing the transportation of both people and goods.

➢ Mid 2002
- Strategies are in place for addressing utilities in the longer term.
- A conclusion is reached on the "spillover" issue for sharing costs.

VII. Concluding comments

Throughout the Alberta Capital Region Governance Review, municipal leaders have discussed and debated regional issues and regional options. Those discussions have resulted in more common understanding, agreements in important issues and directions, and a momentum to keep moving forward.

Adopting a regional approach is essential. Across Canada and around the world, regions are becoming an accepted and effective way of working together to achieve success.

Here in the Alberta Capital region, we have an opportunity to forge a strong partnership and combine our talents, ideas and community strengths to create a thriving and prosperous region. The recommendations in this report are intended to capitalize on that opportunity...to point the way to a stronger region and a better future for people in all parts of the region.

"As we begin to tackle those regional issues, municipal leaders and citizens will be challenged to strike the right balance between seizing regional opportunities and preserving community preferences."

Looking ahead, more and more issues that communities will face will be regional in nature – issues that extend beyond the boundaries of any single municipality. As we begin to tackle those regional issues, municipal leaders and citizens will be challenged to strike the right balance between seizing regional opportunities and preserving community preferences. To achieve that balance, municipalities must consider a wide range of options and opportunities for working together in new and innovative ways, ways that cut across traditional boundaries and challenge old ideas. It's up to communities and their leaders to determine the best ways for tackling regional issues in the longer term, but the time to start is now.

After 24 months of intensive and productive work, this stage of the process is complete. It's time to hand over the reins to municipal, provincial, business and community leaders. There is much work left to be done, but we've made a strong and positive start. It's up to all of us to keep it going.

Appendices

Appendix 1 – Studies and responses from municipalities

Following the First Report of the Alberta Capital Region Governance Review, a number of studies were undertaken in areas which the municipalities felt were of the greatest potential and were most promising for greater collaboration in the future. That included:

- A regional information network and geographic information system (GIS) – page 2 of this Appendix.
- Fire and emergency services – page 5 of this Appendix.
- Transportation – page 7 of this Appendix.
- Water treatment and transmission – page 9 of this Appendix.
- Wastewater treatment – page 11 of this Appendix.
- Solid waste collection and disposal – page 13 of this Appendix.
- Economic development – page 16 of this Appendix.
- Growth management – page 18 of this Appendix.
- Other issues including regional reports and relationship with the Province – page 20 of this Appendix.

The studies examined options and opportunities for greater cooperation in sharing services and expertise across the region. Municipalities reviewed the outcomes of the studies and responded to a questionnaire asking specific questions about various options. Municipalities were also asked questions on economic development, growth management, a regional report, the relationship between the region and the province, and additional actions that could be taken to support regional approaches. The municipal responses were considered by the Chair in developing the recommendations and suggested approaches for addressing implementation issues outlined in this Final Report.

The following sections provide highlights of the studies and the responses to the questionnaire. The highlights of municipal responses show a general pattern of how the municipalities responded. In some cases, municipalities clearly indicated that they either agreed or disagreed with certain options. In other cases, they provided general comments but no specific response. Although some may have anticipated deeply divided opinions on a number of issues included in the various studies, in fact the results show substantial agreement among a significant number of municipalities in the region.

Prior to March 31, 2001, a full report on the responses from municipalities to the questionnaire is available on the website at www.acrgr.org. After March 31, all information and background studies will compiled on a CD available from Alberta Municipal Affairs.

A regional information network and GIS

Issues and opportunities

The First Report of the Alberta Capital Region Governance Review recommended that the potential for a regional electronic network, including a regional geographic information system (GIS), should be a priority area for further study. The Report highlighted the potential to create a regional Intranet that would allow all municipalities to share information electronically using shared software and technology.

Since the First Report was issued, a study was undertaken by Sierra Systems. The study found that:

- A large majority of stakeholders understand the value of GIS and support developing a regional GIS.
- There is momentum for GIS development among municipalities and a critical mass of municipalities undertaking GIS initiatives. Several municipalities have developed their own GIS and others are preparing to invest further in GIS. Currently, there is little sharing of data or planning for integration of GIS between municipalities.

- There are numerous inter-municipal agreements in place today that can be better managed and coordinated with a regional GIS.
- Momentum is gaining in data integration among municipalities.
- A regional GIS is technically and organizationally feasible.
- GIS is a key tool for addressing significant regional and municipal issues and opportunities.
- GIS can be cost-effective despite a significant initial investment.

With a regional GIS in place:

- Citizens will have easy access to complete information and maps of the region.
- Consumers will have one-window access to electronic services.
- Local government administrations can avoid costs, generate revenues, coordinate services more efficiently, and obtain immediate access to better information about the region.
- Rural municipalities will be better prepared to meet the future demand for core services and plan for infrastructure development. Environmental impacts of urban growth can be assessed in advance of decisions.
- Towns and villages will be able to participate in an affordable alternative to developing their own local GIS and will gain access to a large economic development portal for attracting new industries, residents, and tourists.
- The Government of Alberta can use a regional GIS as a corporate enterprise tool for disseminating and analyzing information.
- All Albertans will benefit as a result of an improved ability to attract investment in a global marketplace.

The Sierra Systems study suggests that an initial investment of $100,000 to $300,000 is required to initiate regional GIS plans. A total investment of $6 to $9 million would be required for complete implementation over a period of years.

Municipal responses

Municipalities were asked whether they agree that a regional GIS system:

- Is feasible and desirable.
- Should be guided by a shared vision and common purpose.
- Should be a world class system based on a fully integrated regional initiative.
- Should provide a broad range of public information accessible over the internet.
- Should be a regional intranet for stakeholders to share internally focused data.
- Should serve all municipalities in the region, large and small.
- Should integrate, not replace, existing computing and GIS infrastructure of member municipalities.
- Should be an internet-based system accessible by browsers and using internet protocols.
- Should adopt a common approach to information standards and management processes.
- Should be financially supported by the provincial government.
- Should be designed by municipalities to allow citizens, developers, and investors to conduct business on line with any municipality in the region.

Municipalities were also asked their preferences among the following options:

- Municipalities continue to develop their own GIS systems independently.
- Municipalities with a GIS capacity agree to shared data and municipalities with limited resources may participate later.
- Municipalities agree to share data and invest in both GIS and an integrated Intranet.

The majority of municipalities that responded to the questions indicated support for a regional GIS and feel that it is both feasible and desirable. Many of those that responded said that it should be guided by a shared vision and developed as a world class system. Most respondents agreed that it should provide a broad range of public information available over the Internet and also that it should be a regional Intranet for stakeholders to share information. There also was support for ensuring that the system serves all municipalities in the region, integrating existing computing and GIS infrastructure, and adopting a common approach to information standards and management approaches. Most agreed that the provincial government should be one of the financial supporters of a regional GIS. Opinions were divided on the best option for moving forward. However, a number of municipalities supported the option of having municipalities in the region share data and invest in both GIS and an integrated Intranet. At the same time, some municipalities expressed concerns about the potential costs that could be imposed on smaller communities.

Fire and emergency services

Issues and opportunities

In times of fires or emergencies, people across the region, whether they're in Edmonton or New Sarepta or Fort Saskatchewan, all expect and count on emergency response teams to get there quickly and provide often life saving services.

A study on Specialized Fire and Emergency Services in the region was undertaken by Maxim Morrison Hershfield. The study suggests that, over the past 35 years, good cooperation has developed between the various emergency services in the region. Across the Capital region, a number of mutual aid agreements are in place. The Edmonton Area Fire Chiefs have a regional forum to discuss challenges and limit duplication of effort. Emergency Services in the region have worked together to create a Disaster Response Plan.

At the same time, participants in the study pointed to areas where further cooperation would be a benefit to municipalities and to all citizens in the region. There needs to be a better mechanism for identifying risks in the region. A regional fire prevention and safety code program could provide consistency in inspections and investigations. There's a need to expand regional training sites and expand the awareness of volunteers. A permeable or borderless response would provide the best service to people in the region. The strategic purchase of equipment should be coordinated across the region and the Dangerous Goods response should be strengthened in partnership with industry. It's also understood that each municipality can't justify providing the full range of skills and equipment required at every location, therefore, the need for regional cooperation is essential.

The study suggested that preparing a regional plan would reduce duplication, make the best use of available resources and ensure that citizens in all parts of the region benefit from excellent services. The regional business plan should address:

- Cooperation in regional and sub-regional training.
- Critical incident stress response programs to allow quick and easy access to the necessary skilled resources.
- Coordination of strategic purchasing to obtain maximum value for money spent.
- Networking for recruiting volunteer and full time staff.
- Sharing of response resources where one municipality can't fully justify providing the services themselves but they have identified needs.

The study also pointed out the need for a mobile communications centre to link existing emergency systems including police, fire, ambulance and other disaster services.

Finally, the study suggested that longer-term risk assessments should be done. Currently, annual risk assessments are done by Fire Chiefs, but these tend to take a shorter-term perspective. As part of the annual development of a business plan for fire and emergency services, a more comprehensive, long-term analysis should be done on specific risks and the ability of existing emergency services to respond.

Municipal responses

Municipalities were asked whether they agree that:

- The ability of any municipality to respond to a local emergency should be based on service requirements and best intervention time, not on map lines.
- Regional risk profiles should be created to identify areas where there is opportunity for fire and emergency service improvement.
- Municipalities in the region should create a regional business plan to address opportunities for improvements to fire and emergency services in the region.
- Municipalities should coordinate recruitment of full time staff and purchases of major equipment.
- Municipalities should coordinate training of staff in the region.

Most municipalities that responded to the questionnaire agreed that any municipality should be able to respond to a local emergency based on service requirements and best intervention time. Most municipalities that responded also supported the development of risk profiles and a regional business plan. Opinions on coordinating recruitment of staff and purchase of major equipment were divided. There was more support for coordinating training of staff.

Transportation

Issues and opportunities

The Capital region has a good system of roads and transportation routes, but with a growing population and an aging infrastructure, the demands on the transportation system will increase.

The Alberta Capital Region Alliance has done an effective job of bringing together the various municipalities in the region to identify common goals and set priorities for developing a desired transportation system for the region. Through the Transportation Working Group, nearly 100 projects have been prioritized for development over the next five years. Priorities are set based on a common goal and a series of principles that focus on developing a regional ring road, a free-flow Anthony Henday Drive, and an inner ring road. Principles also include ensuring appropriate access to the provincial and national highway system, maintaining access to key air and rail facilities and major industrial areas, and developing and maintaining public transit services.

Agreement has been reached on the key components of a regional road network and priorities have been set. At the same time, a report by Stantec Consulting, prepared with input from the Transportation Working Group, identified three areas where further work is needed.

- **Transit** - A new vision for transit is required. It should identify major public transit corridors that serve not only higher density areas but also regional needs. Further work needs to be done to explore the longer term needs of a regional LRT/high speed transit network, identify the potential for various forms of public transit in smaller communities, set criteria to decide on when smaller communities warrant public transit service, and develop a range of options for meeting those needs.

- **Goods movement** – As part of a regional competitiveness strategy, there is potential for the region to act as a major transportation hub. Currently, there is no solid understanding of existing or future goods movement patterns and only limited agreement on which connections to the province's North South Trade Corridor or other provincial trade routes need to be strengthened. A Goods Movement Study and review of the transportation network should be undertaken.

- **Corridor coordination** – Most of the radial corridors in the transportation system cut across a number of municipal jurisdictions. Coordinating activities in the corridors is important. That could include coordination of construction activities, development of consistent traffic signal timing programs to reduce traffic delays, and maintaining a consistent approach to transportation planning along the corridor.

Municipal responses

Municipalities were asked whether they agree that municipalities in the region should have a transportation plan that addresses air, rail, transit and vehicle issues, and provides direction beyond the next five years. Most municipalities agreed and stressed the importance of doing longer range planning, aligning the plan with a long term vision for the region and considering all modes of transportation, not just roads and highways. Those who disagreed suggested that partnerships should be encouraged on a project-specific basis or that current authorities are capable of doing their own planning. Many suggested that the Alberta Capital Region Alliance was an appropriate forum for this work. One suggested that a plan incorporating all modes of transportation was beyond the jurisdiction of the region.

Utility services – water supply and distribution, wastewater treatment, and solid waste management

A study undertaken by Applications Management Consulting and Stantec Consulting looked at opportunities and regional options for water treatment and transmission, wastewater treatment, and solid waste collection and disposal.

Water treatment and transmission

Issues and opportunities

To a great extent, water treatment and transmission services have been integrated across the region. The majority of areas within the region and 95% of the population receive treated water from Epcor. The only exceptions are Devon, Bon Accord, New Sarepta and rural communities not connected to the regional system.

Key issues identified in the study include:

- Continued cooperation of the Water Users Group is necessary to effectively negotiate water rates for users of the regional system.

- There is a wide variation in end-user rates across the region.
- Local municipalities continue to be responsible for managing demand with some regional influence through the Water Users Group.
- Regional optimization of water transmission, storage and local distribution is done as issues arise.
- Environmental regulations will be a driver for future changes to the system.
- Expertise in some of the smaller centres may be a concern without effective succession planning.

Options for taking a regional approach to water treatment include:

- **Maintaining the status quo** – Epcor would continue to own and operate water treatment and distribution within the City of Edmonton and the members of the Water Users Group would pay the same rate for treated water from Epcor. Municipalities with their own systems would continue to do so until the expansion of a regional system was desirable and economically feasible. Local storage and distribution and billing of customers would continue to be a responsibility of each municipality.

- **Selling all systems to a private owner** – All current water systems could be sold to a private operator or owner.

- **Providing an equity investment in a Regional Water commission** – A regional water commission could be established with responsibility for operating, maintaining and planning a water treatment and distribution system for the region. Each municipality would receive shares in the operation in exchange for the value of its infrastructure.

- **Establishing a common contractor/operator to operate, plan and maintain the system** – Municipalities would retain ownership and control over their local transmission, storage and distribution systems, but a common contractor would be hired to operate, plan service delivery and maintain the system. A Regional Water Authority would be established to oversee the system.

Municipal responses

Municipalities were asked whether they agree that:

- The five water commissions should continue their role as purchasers of water, and continue to act as a buyers' group.
- Looking ahead 20 years, changes may be needed in the way that water is treated, distributed and delivered in the region.

Eleven municipalities responded to questions about the future role of the five water commissions, and of those responses, ten agreed that the commissions should continue their current role. Five municipalities felt that the five commissions should be rolled into one (including tone municipality that disagreed with the question). In response to the question about the need for changes in the future, several municipalities acknowledged the need for changes particularly in view of changing environmental regulations.

Wastewater treatment

Issues and opportunities

Wastewater transmission and treatment have been integrated within the Capital region. The City of Edmonton and the Alberta Capital Region Wastewater Commission provide wastewater treatment services and each has a wastewater treatment plant and transmission system. The two systems are connected and share services through "swap" agreements. Municipalities are responsible for sewer collection within their own boundaries.

Issues identified include:

- Cooperation between Edmonton and the Alberta Capital Regional Wastewater Commission is essential and will need to be expanded.
- Both the City of Edmonton and the Alberta Capital Regional Wastewater Commission will need additional capacity over the next 20 years.
- Service standards vary widely across the region and there are wide variations in end-user rates.

- Long term planning and coordination at the regional and sub-regional levels occurs when issues arise but not on a consistent basis.
- Wastewater expertise in some smaller communities may be a concern without succession planning.
- Environmental regulations will drive the need for future changes.

Options for the future include:

- **Status quo** – The City of Edmonton and the Alberta Capital Region Wastewater Commission would continue to be autonomous, but greater cooperation is required.

- **Sell all systems to a private owner** – Systems owned and operated by the City of Edmonton, the Alberta Capital Region Wastewater Commission and other local municipally operated systems would be sold to one common owner.

- **Equity investment in a regional wastewater commission** – A common regional wastewater commission would be established to operate, maintain and plan a wastewater system for the region. Each municipality would receive shares in the operation in exchange for the value of its infrastructure.

- **Establish a regional contract operator and Regional Wastewater Authority** – Municipalities would retain ownership and control of their local transmission, storage and collection systems but a common contractor would be hired to operate, plan service delivery and maintain the system. A Regional Wastewater Authority would be established to oversee the system.

Municipal responses

Municipalities were asked whether they agree that:

- Municipalities in the region should develop a plan for future wastewater infrastructure replacement and operations in the region.
- The cost of new wastewater infrastructure should be borne by the users who will benefit from the infrastructure.

The majority of municipalities that responded agreed that municipalities should develop a future plan for wastewater infrastructure replacement and operations. They noted that this work is largely already done by the City of Edmonton and the Alberta Capital Region Wastewater Commission. In terms of sharing costs, the majority of those who responded agreed that the costs should be borne by users who benefit from the infrastructure. Many noted that assistance from the Province was also likely needed.

Solid waste collection and disposal

Issues and opportunities

Solid waste collection and disposal as well as recycling programs within the Capital region are generally handled by each municipality. Some integration of services and facilities has been implemented. Waste disposal has been integrated on a "sub-regional" basis at four primary landfills throughout the region. Waste collection is generally handled by each municipality, with some shared contracts between adjacent municipalities. Some neighboring municipalities have agreements for sharing solid waste transfer stations. In terms of recycling, a number of neighboring municipalities share recycling depots and some municipalities encourage residents to use the Edmonton Eco-stations for disposal of household hazardous wastes. The City of Edmonton has developed state-of-the-art facilities for solid waste treatment.

Issues for the future include:

- Establishing additional landfill capacity is the most important potential issue facing the Capital region. The current facilities will serve the region for the next 10 – 15 years. Ongoing initiatives to minimize waste will result in an annual decrease in waste volumes, but expanded landfill capacity may still be required.
- There may be an opportunity to expand the effectiveness and efficiency of recycling facilities and initiatives if they are delivered on a cost-shared basis either on a region or sub-regional basis.

- Solid waste collection is increasingly being provided by a single, private sector operator in the region. In the absence of competition, concerns have been raised about the ability of market forces to ensure that collection costs remain economical.
- A number of potential activities could be undertaken at a regional or sub-regional level and they could be accomplished through a Regional Solid Waste Authority.

Options for the future include:

- **Status quo** – Municipalities would continue to operate independently and undertake their own initiatives for waste minimization and recycling.

- **Disposal to existing landfills outside the Capital region** – Existing landfills outside the Capital region such as the Ryley landfill could be used as key disposal sites.

- **Establish new landfill capacity in the Capital region** – A new landfill site could be selected within the region. While a single site may be most practical given the difficulties of choosing a site, sub-regional sites would save costs involved in transporting waste to the site.

- **Expand use of the Edmonton co-composter** – Regional waste material could be diverted from landfills to Edmonton's co-composter. This may require an increase in co-composter capacity and required the development of a new facility in the west or south parts of the Edmonton.
- **Regionalize recycling depots, compost facilities, and eco-stations** – Coordination and cost sharing of these services would improve the collection of materials, reduce costs of services and infrastructure, and more fairly allocate the costs across the region.

- **Negotiate waste collection agreements collectively** – A collective approach to negotiating contracts would provide a balance for the absence of sufficient competition in the marketplace.

- **Establish a Regional Solid Waste Authority** – A new organization could be formed or the mandate and membership of CRWMAC expanded and altered to include responsibility for solid waste. The Authority could be responsible for: tracking landfill capacity and planning for additional capacity as required, tracking waste minimization activities in the region, coordinating planning of specialized regional and sub-regional services (e.g. eco-stations and recycling stations), assisting or taking the lead in collectively negotiating waste collection contracts, and collecting and providing information on solid waste and waste minimization opportunities in the region.

Municipal responses

Municipalities were asked whether they agree that:

- Municipalities in the region should develop a long term solid waste management plan for the region that identifies strategies beyond the life of current land fill sites.
- In the future, changes may be needed in the way that solid waste is disposed of in the region.
- Disposal to existing landfills outside the Capital region should be considered.
- New landfill capacity in the Capital region should be considered.
- Edmonton co-composter use and expansion should be considered.
- Regional sharing of recycle depots/compost facilities/eco stations should be considered.
- Collective negotiation of waste collection agreements should be considered.
- A regional solid waste authority should be considered.

Most of the municipalities that responded to these questions agreed that municipalities in the region should develop a long term solid waste management plan and that changes may be needed in the future in the way solid waste is disposed of in the region. In terms of specific options, there was strong support among those that responded for regional sharing of recycle depots, compost facilities and eco stations. Many also supported expanded use of the Edmonton co-composter and exploring a new landfill site within the Capital region. Opinion on the other options was divided.

Economic development

Issues and opportunities

As noted earlier in this report, a financial and economic analysis of the Alberta Capital region gave the region's economic performance a passing grade. Economic performance has been good, but not superlative, over the past two decades. In the last few years, performance has been better and outlooks for the future are positive.

Work done on a Greater Edmonton Competitiveness Strategy points to a number of strengths and weaknesses in the region's current economy.

- Greater Edmonton's economy is on a threshold of a "next-generation economy" and most of the assets are ready to go. Those assets include a strong economic base and advantages from lower costs to technological assets.
- Greater Edmonton's economy has been expanding, creating new employment opportunities and raising incomes. Job growth has been distributed over many industry sectors with the biggest gains in construction, manufacturing, professional services and health care. Job and income growths are expected to end when current capital investments end.
- The region a mix of "old" and "new" economy clusters and both have done well. However, the region does not have a competitive "lead" technology cluster.
- The region has a good capacity to meet the labor needs of must clusters, but people with high-end skills are still hard to acquire and retain.
- Venture capital is scarce in Alberta and even more so in Greater Edmonton.
- In terms of infrastructure, the region is well served with access to cutting-edge technology, infrastructure and services.
- Greater Edmonton's business climate is positive – lower costs for production, housing and taxation are all advantages.
- The region is a "clear winner" in terms of quality of life in key areas from housing to culture.

Overall, the assessment of the region's economic performance suggests that we have a good record, but it could be hard to sustain. The region cannot take its current good performance for granted and must expand its economic vision.

Municipal responses

Municipalities were asked whether they agree that:

- There should be a partnership between the business sector and municipal government in the region to establish regional economic development priorities and strategies.
- An economic development agency that coordinates regional economic development priorities and strategies is desirable for the region in the long term.

Most municipalities that responded to these questions agreed that there should be a partnership between the business sector and municipal government. One commented that regional business leaders can bring an added perspective to the development of strategies for attracting and retaining businesses in the region. The Leduc/Nisku Economic Development Authority was mentioned as an excellent example of what can be achieved through a municipal, business, government partnership. Many suggested that the region already is a leader in business development, existing organizations are doing this work already, and business should be able to make recommendations but not control the municipal government. Of 14 municipalities that responded, most supported the region having an economic development agency. Many of them suggested that this should be pursued through an existing agency such as the Alberta Capital Region Alliance. One municipality preferred a sub-regional approach and another said that a single agency could weaken the synergies that have developed from the diversity of regional partnerships.

Growth management

Issues and opportunities

A study by Lara Pinchbeck and Rhonda Lothammer looked at options for "smart growth" in the region – a process by which municipalities gain the benefits of growth while minimizing the problems. The study identified a number of techniques that can be used to address the impact of growth including techniques for:

- Managing the location and character of community expansion.
- Protecting natural resources and environmental quality, providing efficient infrastructure maintaining a desirable quality of life.
- Improving economic opportunities and social equity.
- Providing regional and provincial guidance for community development.
- Decreasing development pressure on land.

To manage and prepare for the impact of growth, municipalities can work together through voluntary alliances, regional agencies, sustainable development models, or mandated smart growth plans.

Within the Alberta Capital region, regional planning first took place in the 1950s through the Edmonton Metropolitan Region Planning Commission. By 1992, the Commission was no longer in existence and planning shifted from a regional to an inter-municipal approach. Municipalities recognized the need for addressing larger scale planning issues, but objected to imposed limitations and controls. For that reason, the Alberta Capital Region Alliance was formed as a voluntary forum to address regional issues.

Looking ahead, several factors will affect the need for regional approaches to growth.

- Increasing growth puts added pressure on services and infrastructure. Additional resources are needed to respond to growing demands.

- Agricultural reserves and airsheds are becoming an increasing issue of concern. Rural municipalities want to protect agricultural land but, at the same time, need additional revenue that comes from development. New developments on the edge of urban areas put pressure on urban municipalities for services. If agricultural land is preserved, industrial developments could "leapfrog" those reserves and locate in outlying areas, creating friction between rural and urban communities.
- Municipalities will need to collectively respond to environmental standards and requirements including global environmental protocols.
- The relationship between urban and rural municipalities can become antagonistic if they do not share a common vision for growth in the region.

Municipal responses

Municipalities were asked which one of the following terms was most acceptable: growth management, smart growth, growth coordination, sustainable development or other choices. They also were asked whether they agree that municipalities in the region should coordinate growth issues at the regional level.

Of the municipalities that responded, opinions were divided on the best term to use to describe activities related to anticipating and responding to the pressures of growth in the region. Most supported the term "growth management." However, many were hesitant to choose any of the suggested terms because the terms had not been defined and they were uncertain of the implications. Opinion also was divided on whether or not municipalities should coordinate growth issues. Although several municipalities indicated that this was a primary concern that must be addressed in the region, others expressed concern that steps taken to coordinate growth could be used to control smaller urban and rural municipalities or that smaller municipalities could lose their voice in the larger region. One preferred continued use of bilateral and multilateral agreements and two mentioned their fear of regressing to the old regional planning commission concept.

Municipal responses on other issues

Regional report

A report on *Indicators of Success: A Framework for Reporting on the State of the Alberta Capital Region* was prepared by Mark Anielski of the Centre for Performance Measurement and Management at the University of Alberta. The report identified three types of indicators that could be used to measure and track progress in the region.

- **Citizen quality of life indicators** – surveying citizens in the region on their perceptions of quality of life
- **Comparative quality of life indicators** – using baseline information on quality of life indicators taken from several reports
- **Triple E (efficiency, effectiveness and equity) indicators** – preparing data to compare the full costs and benefits of program and service delivery, the effectiveness of services, and equitable distribution of both costs and benefits within the region.

Municipalities were asked their views on the desirability of preparing an annual report on the region and of measuring and reporting progress compared with other regions in Canada. Of those municipalities that responded, opinion was divided on an annual progress report for the region. Although most supported the idea, some suggested that measuring results and reporting progress on an annual basis was too frequent. Some municipalities felt it was impossible to compare our region with other regions in Canada.

Relationship with the province

A Working Group of municipal and provincial officials examined potential changes in the relationship between the province and municipalities in the region. The intention was to create a predictable and effective way for two levels of government to deal with regional challenges.

The Working Group's report strongly recommended a collaborative approach between the provincial and municipal governments. It suggested that the two governments need to establish mutually agreeable responsibilities and principles to guide the future of the region. It emphasized that public revenue sources must be allocated along with responsibilities. And it pointed out that collaborative leadership and a shared vision will be more important to the future of the region than any specific "governance model."

In terms of creating a "new relationship" between both levels of government, the Working Group suggested that the following changes were needed:

- A clear definition of roles and responsibilities, with accountability for assigned responsibilities.
- Financial viability for all partners.
- A financial relationship that takes delineated roles and responsibilities into account.
- Appropriate distribution of public money, based on the predictable costs of fulfilling assigned roles.

The Working Group also outlined the desirable characteristics of the emerging partnership and financial principles. The Group also recommended a series of future collaborative actions including:

- Establishment of a well-understood and predictable process for consultation and collaborative decision making between the province and the municipalities.
- A review of service requirements assigned to municipalities taking into account revenue sources.
- A comprehensive analysis of the future management, viability, social and financial health of municipalities in the region.
- Agreement about how "high need" citizens should be supported.
- Transitional support for significant changes coming from the Review.
- A mutually agreeable transition plan.
- A mutually agreeable financial and information reporting system that documents costs and benefits incurred.
- Financial studies of service delivery models.

Municipalities were asked whether they agree that:

- The roles and responsibilities of provincial and municipal governments should be clarified.
- Checks should be in place to ensure that regional integration does not lead to downloading of costs from the provincial government to municipalities.
- Municipal and provincial administrators should jointly create a regional business plan that identifies service delivery equipment and facility investments on a regional level.
- The provincial government should provide funding to support extraordinary costs associated with developing regional initiatives.
- Cases where municipalities receive different per capita grants or costs should be identified and addressed if they create barriers to regional integration.

Of the municipalities that specifically responded to these questions, most agreed that roles and responsibilities should be clarified and that regional integration should not lead to downloading of costs to municipalities. Opinion was divided on whether there should be a joint business plan for the region. All those who responded supported provincial funding for extraordinary costs associated with regional initiatives. Fewer municipalities responded to the question on identifying different per capita grants, but of those that did, most agreed that differences should be identified.

Other actions to support regional integration

Municipalities were also asked their views on a number of actions that could be taken to support regional integration.

- Developing principles to guide how costs will be shared – Opinion was divided on whether this should be done. One suggested that it should be done for incremental services while another suggested that municipalities are capable of negotiating and addressing cost implications for any service they choose to share in the future. Many responded negatively to the wording "integration" of services.

- Establishing a regional ombudsman – Of the municipalities that responded to this question, most disagreed with the concept.
- Setting standards, assessing alternatives and recognizing volunteers as an asset – Opinion was divided and several municipalities resisted the reference to "service integration."
- Providing liability protection for services provided across municipal boundaries – Of the municipalities that responded, most agreed that this idea should be investigated. Others suggested that it is premature to address this issue or that there is no information to suggest there is a problem.
- Developing a human resource management plan for regional initiatives – The majority of municipalities that responded to this question did not support the need for a regional human resource plan. One suggested it was premature and another said it was beyond the scope of the Review.

Appendix 2 – Alberta Capital Region Governance Review – First Report (March 2000) Recommendations

1. **Regional Governance and Leadership**

   Recommendation #1: That regional governance be strengthened and formalized.
   Recommendation #2: That regional governance be built upon the shared vision, the shared leadership principles and behaviours, and the four policy frameworks identified by the municipalities.

2. **Edmonton Capital Regional Council**

   Recommendation #3: That the vehicle to strengthen and formalize regional governance be an Edmonton Capital Regional Council. It would provide a formal means to develop and implement shared priorities and policies and provide stable, long term governance for the region. It would be a legal entity, recognized in provincial legislation.
   Recommendation #4: That the Chief Elected Officers (CEOs) from all municipalities in the Review develop a charter for the Regional Council.

3. **Service Integration**

   Recommendation #5: That decisions about service integration be guided by the nine goals developed by the member municipalities.
   Recommendation #6: That the potential to establish a regional electronic network, incorporating a regional Intranet and a geographic information system (GIS), be a priority area for study.

4. **New Relationship with Province**

   Recommendation #7: That a new relationship with the Province be developed.

5. Transition

Recommendation #8: That the Regional Council treat its first two years as a "start up" period during which it will address transition and development issues.
Recommendation #9: That the Province generate momentum for the region by providing transition funding.